COUNCIL WORK MINUTES AUGUST 5, 2015

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The City Council held a meeting on Wednesday, August 5, 2015, at 5:30 p.m., in the Council Chambers, 10 North Main Street, Cedar City, Utah.

<u>MEMBERS PRESENT:</u> Mayor Maile Wilson; Councilmembers: Ron Adams; John Black; Paul Cozzens; Don Marchant; Fred Rowley.

STAFF PRESENT: City Manager Rick Holman; City Attorney Paul Bittmenn; City Engineer Kit Wareham; City Recorder, Renon Savage; Finance Director Jason Norris; Police Lt. Darin Adams; Fire Marshal Mike Shurtz; Police Officer Jason Thomas; Project Engineer Trevor McDonald; Project Engineer Jonathan Stathis; Airport Manager Jeremy Valgardson; Water Worker IV Allen Davis; Executive Secretary Michal Adams.

OTHERS PRESENT: Doug Hall, Cassi Orton, Craig Isom, Terri Hartley, Wayne Hartley, Robin Haight, Barbara Imlay, Wade Grimm, Ron Larsen, Damon Esaucy, Jim McPhie, Tom Jett, Zurl Thornock, Tyler Allred, Haven Scott, Halle Miller, Hayden Miller, Heidi Miller, Jennifer Farnsworth, McCabe Peterson, Angelica Judd, Ben Palmer, Owen Palmer, Kirt McDaniel, Stephen Brown.

<u>CALL TO ORDER:</u> Councilmember Rowley gave the invocation; the pledge was led by Scout Owen Palmer.

AGENDA ORDER APPROVAL: Councilmember Adams moved to approve the agenda order; second by Councilmember Black; vote unanimous.

ADMINISTRATION AGENDA - MAYOR AND COUNCIL BUSINESS; STAFF **COMMENTS:** ■Rowley – this weekend we will have a lot of visitors on Cove Drive and we have a lot of weeds that have grown through the diamond block and wondered how we were going to take care of that. I drove that today and they are gone and I understand that a Youth Group took care of that. I appreciate their efforts. ■Cozzens – every year in September the 12th this year, the Scouts sponsor a fly in breakfast at the Airport, we would like you to help promote that, it is at 8:00 a.m. ■Black – to City Staff, with the Summer Party, a job well done. Who won the Golf Tournament? Shawn Glover's team. ■Mayor - I want to give a update, a few weeks ago someone came in talking about the Canyon Park on the west side not being able to see and the danger it was causing. We went and looked at it and it is cleaned up and taken care of, it is visible. Another one, this Friday and Saturday there is an event that the City is a sponsor of, Rally Car, 8:00 a.m. each day the fans can see the cars and drivers in the west parking lot by SUU practice field. At 7 Friday they will be on display behind Centro and winners at SUU that evening. Rowley - Saturday at 5 at the "C" Martin Tyner will be releasing a rehabilitated Golden Eagle, it is quite the thing to watch.

PUBLIC COMMENTS: Mayor Wilson – Those that want to come speak, please keep comments to no more than 5 minutes. Zurl Thornock, Executive Officer with Home Builders Association (HBA), here to submit a letter to the Mayor and City Council, the letter was read, it is attached as Exhibit "A". I would add that in addition to being great to work with Larry is a precious commodity, there are a few with his credentials available. Brian Head City has been looking for a building inspector for 4 months. There are a lot of positions open in the State and there are 100 in the state that can be filled, there is not a lot of competition. I was approached by an individual with Mortensen Construction yesterday and their recruiting manager came to see me and announced to me that they are looking to hire 1400 people in the next few months, starting at \$14.00 per hour for a laborer. Some of our members told me they have lost people to those positions, our people are seeing the challenge, they have to offer better salaries, and it will be a growing concern. We would like to make an appeal that the City reconsider and look for opportunities to retain a valuable resource like Larry. Tom Pugh, been here for 20 years, before that in California. In California I worked with all sorts of building departments and they had a directors of tree planting, sewer connections, all making big bucks, you could never get anyone to take responsibility for anything, it was miserable doing projects. Here with Larry, and this happens all the time, I will go into get a permit and he will write it out. If I have a problem and call him he shows up on the job site. If I have to argue with him I go into his office. I can do anything I need to do with him and Drew. I have looked on the web site and he makes a fraction of what they make in other cities and he does more than they do. I can compare, I have been in all sorts of big cities, it is so nice to come here and have people know what they are doing and take responsibilities. You have a gem here and I think you should try to retain him. Tyler Allred – I am coming on the Larry Palmer band wagon. I do concrete and I have inspections every day, I see Larry and Drew every day, sometimes multiple times. We have an influx and had plan review, if Larry or Drew is gone we only have one inspector, I know people have had to cancel their mud because we couldn't get an inspection. If Larry leaves, we slide Drew in his spot, how are we going to do it with one, we barely do it with two, and we need three. It will take months to get another inspector. It is just like Cedar Fire, it took months to replace one person. I am worried it will turn into a huge problem with people trying to get their inspections. I love Drew and Larry, but only one guy it will be a huge mess for everyone. He is a valuable resource, I can call and he will tell ordinances and set backs off his head. You could be years getting the knowledge. Robin Haight here for the concerned citizens of Cedar Knolls and Interstate Drive, we have concerns with Windmill Plaza project. We appreciate meeting with the Mayor and Rick. Several weeks ago I asked to get on the agenda until Windmill Plaza came up. I had some exciting news, we had twins born in our families, we are learning how to get along with that challenge, Mike and Tasha are doing well. Concerns I have is to live in a town and neighborhood and know so little about what is going on. Do any of you know the significance of the date of January 1, 2007? If you do I have a \$2 bill. In my research of some of the properties and when they changed hands and doing research, that is Windmill filed as an LLC, they have been existence for 8 years. We are concerned as neighbors when they come in and uncover the dirt and dust and cover up the organics and no one lets us know. They purchased the property in 2006 from Pilgrim International and had it in their control and looking for development. We are not stopping them from

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No.

developing; we just don't want them to go through our neighborhood. We want our rights protected. He showed a top that spins and turns upside down. We don't all see things the same way and things change, we would appreciate an open mind. ■Wade Grimm − we want to thank you for our meeting he showed pictures of the property when the grubbing began, they hauled fill in, we have had more than one contractor, the fill that has been pushed and organics covered up. There is no compaction and soils test. Mayor − we talked about some of the pictures and our ordinance has a provision that there is a fee assessed if they do work before final approval and we are proceeding down that path and it is known to the developer that they will be assessed. Wade − the next are dust without dust control, it is hazy and you almost can't see the overpass, they are in the ordinances and should have been taken care of in the past. We have had our first case of Valley Fever reported and that comes from dust. We want to thank Rick and the Mayor for meeting with us on Monday.

CONSIDER MODIFYING THE SEWER RATE FOR CAR WASHES – TRAVIS

RIGBY: Travis Rigby with Sparkles Car Wash, I also represent 3 other self-serve car washes. It is the sewer charges by the weep systems and the City ordinance on a per thousand gallon rate, the sewer charge encompassed fees on chemicals and solids and what we have found and been frustrated with. Our fees spike in the winter, December, January and February when the business is not as active. We understand that utility rates are set for cost of services, but should be reasonable for services rendered and received. We are at \$3.50 per thousand gallons and we have met with City employees, and we are requesting to go down to \$2.89 per thousand gallons. The data that supports the reduction and people that own car washes are happy with the \$2.89, Cedar City is not the highest, but far from the lowest. The fact that the data Kit used came from the Las Vegas area and did not use weep systems, and that is why we feel it is fair and reasonable. Black - is that for freezing? Travis - yes, there is a thermostat on the system and it turns on to shut the valve off and in December and January, the coldest months the water is continually running, it is clean water with no contaminants and the \$3.50 a portion is for the contaminants. Rowley - is this out of the meter? Kit - yes. Rowley - your water usage goes up in the winter. Travis - June 19, 2013 we requested some concession regarding the elevated sewer charges in the winter months, and administration has agreed there could be some adjustments. The presentation is attached as Exhibit "B". The graph in the presentation shows the spikes in the winter months. Last March it was really cold. There is one gallon to every 3 gallons of water that goes out that goes to the sewer. Rowley - I had a tour of the WWTP yesterday; the contaminants in the water are 3% in 100 gallons? Kit - it varies. Rowley - the contaminants have nothing to do with costs, all the pumps still have to run, the bacteria takes care of the solids. I don't see how clean water going in gives us a break. Kit - they are pumping the water and contaminants and they have to go through different processes, they don't just handle volume. Rowley - it costs the city less for clean water? Kit - yes, clean water does not go through the treatment system. The contaminants go through the pumps. Travis - you do have different rates for restaurants, etc. Car washes are high on the chart and it justifies the higher rate. Car washes are outdoor plumbing. Rowley - I like how you separated your different systems. Travis - residential people, churches are also irrigating. 55% of the water pumped by the city pumps is reclaimed in the reclamation system. Kit – I think it

is 45%. Travis – the majority does not have contaminants, we have a hose to spray off sidewalks and pavement. It comes down to we have been directed to focus on the weep water. 33% to 36% of the water is going through the weep and soft water systems. Rowley – that is a lot of water being wasted, are there systems to recycle the water. Travis – if you look before and after I bought the car wash, it has gone down dramatically. We are buying freezeless contaminants which have a lot less contaminants. Marchant – the information in incredible, I never thought about things like this. He has done a lot of research. I am wishing others would do the same. I would be thrilled to do what we do, it is utilities and the City could save money as well. If I looked at the City bills I would pay for what you paid me. There are holes in every ordinance, some are overcharged, and some undercharged. Marchant - there are ways that we can improve our delivery system and maintain if we pay attention. Travis – I would ask that you look at the bill; the weep water has no contaminants in it. We would like the adjustment to go back to when we first contacted the City which was June 2013.

Rick – we try and keep our rates at a dime, so it would be \$2.90 instead of \$2.89.

CONSIDER A SINGLE EVENT PERMIT FOR CEDAR CITY ELKS FOR AUGUST 15TH – CANDACE HOWES: Candace – we are doing a horse shoe tournament next Saturday; the money goes to buy shoes for kids at Christmas. We sent out postcards today advertising the event. Consent.

CONSIDER BIDS FOR THE 200 WEST WATERLINE REPLACEMENT PROJECT - JONATHAN STATHIS: Jonathan - we are doing this project between 400 North and Coal Creek road and replacing a 4" line with an 8" line, similar to what we have done in other areas of town. We will replace service laterals and add fire hydrants. The low bid is Precision Pipeline. Marchant - there is quite a spread. Rowley - what is the pending warranty? Jonathan - it is on Airport Road and we are requiring it be done before this project is awarded. Black - is there a date? Kit - we give them a time frame in the warrant letter. Trevor McDonald - we are underway with the warranty inspection, they finished it last October, we bumped it up early to let them work on it in the summer. We still have to inspect the sewer line. Rowley – are you saying there are problems? Trevor - the pavement needs to be done, they are not starting in case there is a problem in the line. Marchant - what are we waiting for? Trevor - a video inspection they die before they do that. Damon Esaucy with Precision - we haven't seen the punch list at all, but are ready to go as soon as we receive it. You do have our bond in place for the project, we are responsible and 100% on the line for anything on the punch list and warranty items. I don't see to hold up a project. The City is covered by Precision Pipeline with bonds. Rowley – everything is routine and ok, we don't have some big thing that they have not completed. Trevor - no, just the pavement. We are completing the punch list this week. Black - how do we hold the feet in the fire if they don't have a list? Kit - we are waiting for the video inspection. Black - do we have retention or just the bond? No. Trevor - I would not want to receive a partial punch list and have them do pavement and then come back and have some work on the line and then take the pavement out again. Marchant – it seems that it is us holding up the project, not them. Damon Esaucy - the project does not reflect back to the sewer line project. We have

multiple projects going on all the time, we will make good on a project. Rowley – one is ending at the time one is starting, we should not hold this up. Damon – once the punch list is compiled we will work on this. Rowley – have they worked on us on other projects? Kit – most punch list is surface and we have received several complaints. It is your option if you want to approve this. Cozzens – we have the bond, I don't see a problem. Mayor – don't we have a time line to have the 200 West project completed by? Jonathan – yes, we need to have it paved by November 1st. Rowley – GEO Green came in Tuesday and asked for an easement for a fiber optic line concurrent with the home service lines to get a line across the street and we gave a positive recommendation to come here and that is part of this. Jonathan – they agree to pay all the costs associated with that. Rowley – what do we gain by increasing the size of the pipe? Jonathan – 8" is our minimum standards. Consent without conditions.

CONSIDER AMENDMENT #1 TO THE 4-YEAR GENERALIZED PLANNING AGREEMENT – JEREMY VALGARDSON: Jeremy – we are going over the master plan agreement, this is the first amendment to GDA to start the master plan project, and the money is allocated in the last fiscal year, FAA pays 95% the City pays the remainder 5%. Rowley – about \$21,000? Jeremy - \$23,684. Read at least the elements what would happen if Sky West moved to 70 seat jet. If it is not in paper the FAA usually funds it, it is difficult if it is not in print. Paul – I have reviewed it and worked out the concerns. Consent.

CONSIDER APPROVAL OF BIDS FOR SNOW REMOVAL EQUIPMENT FOR THE AIRPORT – JEREMY VALGARDSON: Jeremy – we are asking, we opened the bid process for the snow removal equipment, the FAA requires bare and dry within one hour. The best way to do it is with a broom, we went out for 18' broom the blade on the truck is too heavy, we are also asking for a lighter blade with a hydraulic, the idea is to keep the broom on the surface. We are not doing the bid opening until tomorrow, the FAA is asking that we come today because it is a grant offer. We need it on action to approve the grant and the bidder. Paul – we don't have the numbers until tomorrow. Marchant – it is a procedural thing? Jeremy – yes, they have to close out by the 19th. Marchant – Jeremy is under the gun a lot with the FAA, when they say jump he needs to be on a ladder. Rowley – how is business this summer? Jeremy – up a little on SkyWest, down on charters. The BLM was active today in the Kanab area, but it has been quiet this year. Cozzens – what are the enplanements? About 13,000. Action.

REVIEW BIDS FOR THE WWTP ASPHALT REPLACEMENT AND FIRE TRUCK PAD PROJECT – TREVOR MCDONALD: Trevor – a few years ago the WWTP came to the engineering department and said they had asphalt settling on the area by the drying beds. That is one part of this project and then last year the Fire Marshal said if they needed fire suppression they need a fire pad, their trucks are not four wheel drive and can't drive on the gravel. We held off until the nitrate process was nearing completion and sent these out as one project to save some money. Black – with the fire pad be asphalt or concrete? Trevor – asphalt. The asphalt job was approved in 2012-13 budget. Black – where is the additional \$8,000 coming from? Kit – the estimate is different from the budget. Trevor- the combine budget for both is \$159,000, the

budgeted number was \$111,000, and the \$92,000 is what I estimate now. Low bid was \$119,000, we have a contingency amount in there. Kit – the entire budget was what? Trevor - \$111,000. Jason – we approved \$126,000 and fire pad of \$23,000 for a combined total of \$159,000 and it will come in at \$120,000. Low bid was Schmidt at \$119,949. Consent.

CONSIDER REQUEST FOR SICK TIME REIMBURSEMENT - RICK

HOLMAN: Rick – in our personnel policy we have a few statements if a public safety or any other employee is injured on the job they may request reimbursement of sick leave as part of their recovery. Jason had an incident September 2014, we are glad he is back to full duty, he is requesting 256 hours of sick time. Rowley – it appears it fits the policy and qualifies? Any concerns? Rick – any time we have an employee injured on the job you need to evaluate and this is why it was put in. There were other remedies for employees, such as donation from other employees; this is for more specific type of injury. Black – it has to be no fault injury.

Mayor – we have done this before for you. Jason – when I was shot in 2007 it bothered me that I had to use my sick time and I was working in my capacity. I worked through my channels, it was an assault, and it could be used for anyone. This is for a vehicle that ran on me and separated my bicep. Marchant – I would like to look into this further. Action

CONSIDER DECLARING PRAIRIE DOG FENCING MATERIAL AS SURPLUS PROPERTY – RICK HOLMAN: Rick – we, UPDRIP and the County have worked vigorously to get prairie dog where lot of people attend like Golf Course and Cemetery, if we build a fence to prevent the dogs from getting back in we could remove the dogs. When we purchased the material it was on estimates, the State, County, and City put money in. There is interest from private and public entities to use the material, we would like to declare it surplus and sell it. Rowley – how did we come up with extra? Rick – block walls on homes, and areas by the old putting green, because it was next to a road didn't have to go 9' deep. Mayor – we found out this during the process. Mayor – it is working well at the golf course. Consent.

COMMITTEE APPOINTMENTS – MAYOR WILSON: Mayor – last year we determined there were terms all over the place and so we had all the committees go from July through July and it was a great idea until July rolled around. I am bringing a list of names to be considered. Airport – Jyl Shuler reappoint, Carl Hugh reappoint, appoint Lois Bulloch, Burt Poulsen and Bill McVay; CATS add Amy Brinkerhoff; Cross Hollow Event Center reappoint DeLynn Barton, Chad Reid, Maria Twitchell; DT Parking reappoint John Ruesch and Mark Baruffi, add Shirley Rosenberg; Housing Board of Commissioners, Steve Wood and one we are waiting to hear back on. reappoint Peter Grimshaw and Karolyn Jensen; Library Board appoint Bonnie Cox and Connie Sowards; P&R Craig Oswald; Planning Commission Chris McCormik and Jennie Hendricks and reappoint Rich Gillette and Mike Mitchell. Consent.

<u>CLOSED SESSION – REASONABLY IMMINENT LITIGATION:</u>

ADJOURN: Councilmember Black moved to adjourn and move into the closed session at 6:55 p.m.; second by Councilmember Marchant; vote unanimous.

Renon Savage, MMC City Recorder

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August 5, 2015

Cedar City Mayor and City Council,

As leaders with the Iron County Home Builders Association, we have been hearing significant feedback from our members and have serious concerns with the recent news of the Cedar City's Chief Building Officer, Larry Palmer, leaving his position. Our members consider Larry a valuable resource for the local building industry, and feel his experience, building expertise, knowledge, and relationship skills will be very difficult to replace. With the recent growth in the local building market, and with challenges in handling plan review volumes and inspections, a change now will have a negative economic impact on construction and completion schedules on local projects.

With that in mind, we'd like to make an appeal for Cedar City to make an effort to retain Larry Palmer. We understand that he would consider a reasonable offer to remain in his position, and think it would be in everyone's best interest to explore possibilities with Larry. Being employers ourselves, and dealing with a growing demand for employees in an area that already has a shortage of skilled labor, we understand the difficulties of managing labor costs. We also understand the importance of keeping critical key employees, and have had to work to determine how to respond in somewhat similar situations.

With the growth in commercial and residential construction, we expect that there will be increasing revenues coming to the city from permits and fees. It seems reasonable that a small portion of this revenue could be invested in key building department personnel. We expect that this situation is probably just the beginning of these types of challenges. With a shortage of building inspectors in the state (we have been advised that there are many inspection jobs open in Utah), what we are seeing today could be repeated again and again. We recommend the city also consider a policy to deal with retention of key city employees in the future.

Your consideration is most appreciated.

Sincerely,

Dan Dailey, Dailey Builders and 2015 President

Nathan Thayer, Jon Gate Builders, 1st Vice President

Andy Funderburk, Funder Welding, 2nd Vice President

PO Box 368 • Cedar City, UT 84721-0368 • (435) 865-1113 • www.ICHBA.org

Request for Sewer Fee Reductions

Self-Serve Car Washes, Cedar City

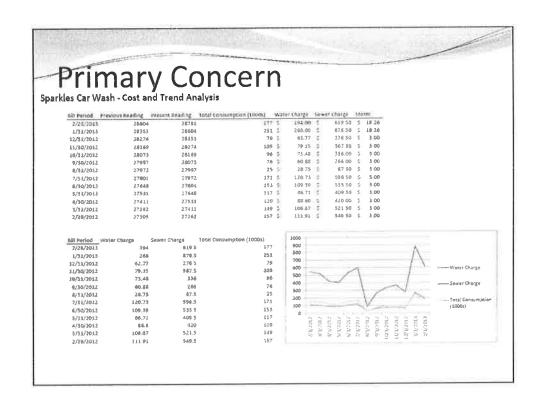
Recommendation of Rick Holman & Applicable City Staff

- Current Rate: \$3.50 per 1,000 gallons
- Proposed Rate: \$2.89 per kgal

Executive Summary

- June 19, 2013 Letter to City Council Requesting Sewer Fee Reductions
- City Admin. Proposes reduction relative to "Weep Water" (water with no contaminants)
- 1. Waster concumption and severe costs spike during whater months rather than high-traffic puramet months which include irrigation water, as evident in the attached Cost and Trend Analysis for Sparkler Can Wash, located at 160°L. Fiddlers Canyon Road. During the winter season, a vast majority of the water is primarily used in weep systems that keep water flowing through plots to prevent freeding, not to clean cass. Weep systems are used approximately sta (6) months of the year, and are charged the same permium sever rate despite the fact of any constantiation (solids and themicalls). In consideration to lithin's flow season diminate and resulting weep system important programment, elevated severe rates on metered water far weep systems are not justified nor are national.

guidelmas. This financial burden substantion impacts any profit at the sever costs sour as the wieter mostly with no return what cover.



- January 22, 2014 Mtg with Rick Holman, Kit Wareham, and Chad Boshell @ City Offices
- 4 Car Wash Owners Present
- Kit Wareham not sufficient data to warrant adjustment

February 13, 2014 Mtg at Sparkles Car Wash with Travis Rigby, Rick Holman, and Chad Boshell

Rick Holman communicates sewer reduction could be achieved if data supports such reduction



- Irrigation
- Parking Lot







